

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-3691/1dn
PJK:jld:md

November 20, 2009

Thank you for the very clear redraft instructions.

In answer to the question concerning whether it is necessary to include a cross-reference to the requirement in ch. 609 (and in ch. 185), technically it would not be necessary to include the cross-reference in ch. 609 or in s. 185.981 (4t), but since the insurance requirements that apply to defined network plans and cooperative sickness care plans have historically been included as cross-references, I wouldn't want the lack of a cross-reference to be taken to mean that the requirement in s. 632.723 does not apply. The cross-reference in s. 185.983 (1) (intro.), however, is necessary.

In answer to the question about whether the phrase "signed by *the* insured" should be deleted from s. 632.723 (2) because it is included in the definition of "assignment of benefits," I thought it would be best to keep the phrase since the definition refers to the instrument being "signed by *an* insured." However, since the assignment of benefits may also be signed by the insured's representative, upon further thought I decided to modify the language so that the assignment of benefits is from the insured to the provider.

I did not change "claim" to "claims" in the definition of "assignment of benefits" because not all of an insured's claims under a policy would relate to the same health care provider. Also, under s. 990.001 (1), the singular form of a word includes the plural.

Although you do not want to specify that the requirement applies to government plans, I did not explicitly exclude them. I assume you would not have a problem with a government plan complying with the requirement if that occurred.

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